

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

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R 281340Z JUL 75

FM AMEMBASSY BUCHAREST

TO SECSTATE WASHDC 3825

INFO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

AMEMBASSY BUDAPEST

AMEMBASSY MOSCOW

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

AMEMBASSY WARSAW

AMCONSUL MUNICH

C O N F I D E N T I A L SECTION 1 OF 2 BUCHAREST 3593

E.O. 11652: GDS

TAGS: PINT, PINR, PFOR, RO

SUBJECT: JULY PLENUM: CEAUSESCU HANGS TOUGH

REF: (A) BUCHAREST 2953; (B) BUCHAREST 3310

1. SUMMARY: AT JULY 21-22 PLENUM, CEAUSESCU KEPT GRIP ON THE WHEEL AND EVEN CRANKED ON MORE SPEED, BUT HIS SHIP WAS CLEARLY TAKING ON SOME WATER BELOW HIM. FLOOD EFFECTS PUT DAMPER ON ALREADY DISAPPOINTING OUTLOOK FOR PLAN FULFILLMENT AHEAD OF TIME. CEAUSESCU HAD CRITICISM FOR ALL, BUT MADE NO PERSONNEL CHANGES IN LEADERSHIP TEAM. ATTEMPT TO INFUSE CADRES WITH MORE REVOLUTIONARY ELAN HAD HOLLOW RING AMIDST CURRENT
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DIFFICULTIES. END SUMMARY.

2. ECONOMIC THEMES DOMINATED CEAUSESCU'S SPEECH. ON A DEFENSIVE NOTE, HE CITED GROWTH FIGURES ATTAINED TO DATE AS "MIRACULOUS ACCOMPLISHMENTS" INVALIDATING THE "RESERVATIONS AND SCEPTICISM DEMONSTRATED DURING THE FIRST YEARS OF THE FIVE YEAR PLAN, EVEN BY SOME PARTY AND STATE ACTIVISTS"-- A SECOND RARE PUBLIC ADMISSION BY CEAUSESCU (REFTEL B) OF PAST DISCORD AT THE HIGHEST LEVELS OVER ECONOMIC POLICY. BUCHAREST AND THE THREE COUNTIES OF SUCEAVA, COVASNA AND BOTOSANI HAVE ALREADY MET PLAN GOALS, HE SAID, AND NINE OTHER COUNTIES ARE EXPECTED TO FULFILL THEM DURING THIS QUARTER. CEAUSESCU DID NOT RPT NOT MENTION THAT AROUND THE TIME OF THE PARTY CONFERENCE OF JULY 1972, WHEN CALL WENT OUT TO COMPLETE PLAN IN FOUR AND A HALF YEARS, 20 RPT 20 COUNTIES PLUS BUCHAREST GAVE PLEDGES TO DO THIS, SOME OF THEM (BUZAU, ILFOV, MEHEDINTI, TULCEA) PROMISING EVEN FASTER FULFILLMENT OF THE PLAN. MEASURED AGAINST THESE PLEDGES, THEREFORE, ACTUAL ATTAINMENTS HAVE FALLEN WOEFULLY SHORT OF GOALS, AND IN THIS CASE THE JULY FLOODS PROVIDE NO READY EXCUSE.

3. CEAUSESCU SPREAD BLAME WIDELY FOR FLOOD DAMAGE, CASTIGATING THE NATIONAL WATER COUNCIL AND OTHER CENTRAL ORGANS FOR LACK OF SUPERVISION AND ATTACKING LOCAL OFFICIALS IN CERTAIN COUNTIES FOR A "SUPERFICIAL" APPROACH TO FLOOD CONTROL. AMONG THE TARGETS OF THIS CEAUSESCU COUNTER-OFFENSIVE ARE SOME FIRST SECRETARIES, FOR EXAMPLE VIRGIL TROFIN IN BRASOV AND IOACHIM MOGA IN DEVA, WHO HAVE BEEN OFF CEAUSESCU'S WAVELENGTH. CEAUSESCU ADDED THAT SOME LOCAL OFFICIALS FAILED TO CARRY OUT THEIR RESPONSIBILITIES DURING THE FLOODS AND CALLED FOR "DECISIVE MEASURES" TO BE TAKEN AGAINST THEM.

4. ON FLOOD RECOVERY, CEAUSESCU CALLED FOR ALL LOSSES, BOTH INDUSTRIAL AND AGRICULTURAL, TO BE MADE UP BEFORE THE END OF THE YEAR, WITH SPECIAL EMPHASIS TO BE GIVEN TO BOOSTING ROMANIA'S EXPORTS. ALREADY PRESAGED IN EARLIER POST-FLOOD SPEECHES, THIS GOAL MAY REQUIRE GREATER EFFORTS THAN THE INDUSTRIAL AND AGRICULTURAL WORK FORCE IS ABLE OR WILLING TO PUT OUT. WE ARE INCLINED TO BELIEVE, HOWEVER, THAT ROMANIAN STATISTICIANS ARE UP TO THE TASK OF PROVING THAT GOALS HAVE BEEN MET BY THE END OF 1975. FOREIGN TRADE MINISTER TOLD AMBASSADOR SEVERAL DAYS CONFIDENTIAL

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EARLIER, HOWEVER, THAT "OBVIOUSLY" AGRICULTURAL LOSSES CANNOT BE MADE UP AS SUCH, BUT CAN BE COMPENSATED FOR BY INCREASED INDUSTRIAL PRODUCTION.

5. AS OUTLINED BY CEAUSESCU, ROMANIA'S 1976-80 FIVE YEAR PLAN LOOKS TO BE A PERIOD OF EVEN FURTHER BELT-TIGHTENING. SOME GOALS HAVE BEEN RAISED ABOVE THOSE SET OUT IN THE GUIDELINES ADOPTED BY THE ELEVENTH PARTY CONGRESS, THERE WILL APPARENTLY

BE NO SHORTENING OF THE WORK-WEEK, AND THE REINVESTMENT RATE HAS BEEN SET AT A CONTINUED HIGH 33.5 PERCENT. AVERAGE ANNUAL GROWTH RATES FOR THE PERIOD ARE TO BE 9.0 PERCENT FOR ROMANIA'S "SOCIAL PRODUCT" (CLOSEST EQUIVALENT TO GNP), 11.2 FOR INDUSTRIAL PRODUCTION, 6.0 - 7.2 FOR AGRICULTURAL PRODUCTION, 12.1 FOR TOTAL INVESTMENT IN THE ECONOMY, 12.3 FOR FOREIGN TRADE, AND A HIGH 9.1 FOR LABOR PRODUCTIVITY.

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C O N F I D E N T I A L SECTION 2 OF 2 BUCHAREST 3593

6. CEAUSESCU'S SPEECH WAS SPRINKLED WITH REFERENCES TO THE NEED FOR BETTER ORGANIZATION AND TIGHTER DISCIPLINE, MEASURES THAT HE TENDS TO VIEW AS A CURE FOR MOST OF THE NATION'S ILLS. IN AGRICULTURE, NATIONAL WATER COUNCIL HAS ALREADY BEEN SPLIT OFF FROM MINISTRY OF AGRICULTURE (AND IS TO BE SUPERVISED BY DEPUTY PRIME MINISTER EMIL DRAGANESCU). MEANWHILE, PLENUM'S RESTRUCTURING OF SUPREME COUNCIL FOR ECONOMIC AND SOCIAL

DEVELOPMENT, WHICH PARCELED OUT SPECIFIC GOVERNMENTAL SECTORS TO 15 POLEXCO MEMBERS ("SECTION CHAIRMEN"), SUPPLANTING FORMER FIVE VICE-PRESIDENTS, APPARENTLY IS ONE OF CEAUSESCU'S CONTINUING ATTEMPTS TO ENSURE TOP-LEVEL CONTROL AND FOLLOWUP OVER BUREAUCRACY. POLEXCO MEMBER EMIL BODNARAS, SICK THIS YEAR, IS NAMED AS ONE SECTION HEAD, AND MRS. CEAUSESCU HEADS CHEMICAL SECTION.

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7. ON SCIENCE AND TECHNOLOGY, CEAUSESCU CONTINUED HIS CAMPAIGN FOR MORE PRACTICAL PAYOFF IN RESEARCH, BLASTING "PAPERS, COLLOQUIA, AND NATIONAL AND INTERNATIONAL CONFERENCES" WITH "WEAK RESULTS". HE ALSO CRITICIZED "SOME COMRADES" WHO WISH TO PURSUE "UNUSUAL THINGS" RATHER THAN USING ALREADY-FAMILIAR TECHNOLOGY. TAKEN TOGETHER WITH CEAUSESCU'S SCATHING COMMENTS ON THE TENDENCY TO "GROVEL" BEFORE THINGS OF FOREIGN ORIGIN, THESE REMARKS MAY PRESAGE INCREASED DIFFICULTIES FOR ROMANIAN SCIENTISTS AND RESEARCHERS TO EXCHANGE IDEAS WITH FOREIGN COLLEAGUES, AND PERHAPS EVEN SOME DIFFICULTY IN GETTING APPROVAL FOR IMPORT OF HIGH-TECHNOLOGY FOREIGN EQUIPMENT.

8. ON FOREIGN TRADE, CEAUSESCU SIGNALLED EVEN TIGHTER IMPORT RESTRICTIONS, AIMED AT BALANCING ROMANIA'S PAYMENTS BY THE END OF 1975 -- A GOAL THAT IN OUR VIEW, TAKING INTO ACCOUNT THIS YEAR'S AGRICULTURAL LOSSES AND FLOOD DAMAGE TO EXPORT-ORIENTED INDUSTRIAL SECTORS, APPEARS UNREALISTIC. CEAUSESCU GAVE NO SIGN OF TURNING TRADE MORE TOWARD CEMA PARTNERS, HOWEVER. HIS COMMENTS ON CEMA WERE BRIEF AND FOCUSED AS IN THE PAST ON NATIONAL ECONOMIC SOVEREIGNTY AND THE NEED TO EQUALIZE LEVELS OF ECONOMIC DEVELOPMENT.

9. OTHER PLENUM SPEECHES WERE PUBLISHED ONLY IN ABRIDGED FORM AND GENERALLY SEEMED INNOCUOUS, WITH USUAL PLENTIFUL "CULT" GENUFLECTIONS TO CEAUSESCU. AMONG FIRST SECRETARIES, HOWEVER, MOCUTA (CLUJ) DID NOT MENTION CEAUSESCU, AND TRFIN (BRASOV), "APPRECIATED ACTIVITY", IN INTERNATIONAL SPHERE ONLY, OF "CENTRAL COMMITTEE, POLITICAL EXECUTIVE COMMITTEE, AND IN THE FIRST PLACE, NICOLAE CEASUSSCU", AN AESOPIAN PLUG FOR COLLECTIVITY IN LEADERSHIP. AGMIN MICULESCU IN EFFECT CONTRADICTED CEAUSESCU BY STATING FLATLY THE 1971-75 AGRICULTURAL PLAN WILL NOT BE FULFILLED (MICULESCU HAD BEEN RUMORED TO BE VULNERABLE AS SCAPEGOAT FOR FLOODS, BUT RETAINED POST).

10. COMMENT: RUMORS DURING PLENUM ALLUDED TO SOME FRICTION WITHIN POLEXCO OVER UNPOPULAR PRICE RISES AND ELENA CEAUSESCU'S BEHIND-THE-SCENES ROLE. BLAME FOR NOT IMPLEMENTING 1971 FLOOD CONTROL MEASURES CEAUSESCU DIVERTED ELSEWHERE, ALTHOUGH SEVERAL ROMANIAN SOURCES HAVE NOTED THAT HAD NOT MEN AND RESOURCES BEEN OCCUPIED WITH

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COMPLETION OF CEAUSESCU'S STRATEGIC AND PRESTIGE PROJECT, THE TRANSFAGARASAN HIGHWAY (THROUGH CARPATHIANS), COUNTRY COULD HAVE BEEN IN MUCH BETTER SHAPE TO MEET RAINS.

11. HOWEVER,
CEAUSESCU'S MAIN PROBLEM AT MOMENT IS NOT HIS GRIP ON POWER, WHICH SEEMS FIRM ENOUGH TO WITHSTAND WHATEVER CRITICISM EXISTS, BUT RATHER HOW TO MOBILIZE AND GALVANIZE UNRESPONSIVE BUREAUCRACY AND LAGGING POPULACE AROUND HIS UNRELENTING ECONOMIC GOALS, MADE TO SEEM MORE UNREALISTIC BY FLOOD EFFECTS. AT PLENUM, HIS MAIN THEME WAS "REVOLUTIONARY SPIRIT", APPLIED NOT ONLY TO PARTY BUT PEOPLE AS WHOLE, TO SURMOUNT DIFFICULTIES. THUS, CEAUSESCU CONTINUES ON COURSE, BUT SITUATION HAS GIVEN SOMEWHAT HOLLOW RING TO THE FOUR-AND-A-HALF YEAR SLOGAN AND 9TH CONGRESS ANNIVERSARY. LATTER WAS NOTED RATHER UNEVENLY IN MAJOR PRESS ARTICLES (ONLY CONTEMPORANUL'S DUMITRU POPESCU'S -- EULOGY TO "THE GLORIOUS DECADE" LIVED UP TO EXPECTED "CULT" LEVELS).
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